

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

MOTION TO ADJUST RATES IN)	
ACCORDANCE WITH PURCHASED)	
GAS ADJUSTMENT CLAUSE OF)	CASE NO. 8562-B
PHELPS GAS COMPANY, INC.)	

O R D E R

On November 30, 1982, the Commission issued its Order in Case No. 8562 approving certain rates and providing, under certain conditions, for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On December 13, 1982, Phelps Gas Company, Inc., ("Phelps") notified the Commission that its wholesale cost of gas would be increased by its supplier, Columbia Gas of Kentucky, Inc., ("Columbia"), effective January 1, 1983, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the notice filed in this case and being advised, the Commission is of the opinion and finds that:

(1) Phelps' notice of December 13, 1982, set out certain revisions in rates which Phelps proposed to place into effect, said rates being designed to pass on the wholesale increase in cost from its supplier in the amount of \$6,731 or 24.68 cents per Mcf.

(2) Phelps' notice of December 13, 1982, does not provide the Commission with the 20-day notice as required by statute, therefore, the proposed rates should become effective on and after January 2, 1983, subject to refund.

(3) Phelps' adjustment in rates under the purchased gas adjustment clause approved by the Commission in its Order in Case No. 8562 dated November 30, 1982, is fair, just and reasonable, in the public interest and should be effective with gas supplied on and after January 2, 1983, subject to refund.

IT IS THEREFORE ORDERED that the rates in Appendix A be and they hereby are approved, effective for gas supplied on and after January 2, 1983, subject to refund.

IT IS FURTHER ORDERED that for the purpose of the future application of the purchased gas adjustment clause of Phelps, the base rate for purchased gas shall be:

	<u>Commodity</u>
Columbia Gas of Kentucky, Inc.	\$5.788 per Mcf

IT IS FURTHER ORDERED that within 30 days after the date of this Order, Phelps shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 29th day of December, 1982.

PUBLIC SERVICE COMMISSION

Sam Shuck
Chairman

Katherine Fundall
Vice Chairman

Don Carreaga
Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 8562-B DATED December
29, 1982.

The following rates are prescribed for the customers
in the area served by Phelps Gas Company, Inc. All other
rates and charges not specifically mentioned herein shall
remain the same as those in effect under authority of the
Commission prior to the date of this Order.

RATES:

First 1 Mcf
Over 1 Mcf

\$9.33 Minimum Bill
7.03 per Mcf